

For calendar year 2006 or tax year beginning \_\_\_\_\_, 2006, ending \_\_\_\_\_, 20\_\_\_\_\_  
► See separate instructions.

2006

## A Check if:

- 1 Consolidated return . . .   
 2 Personal holding co. . . .   
 3 Personal service corp. . . .   
 4 (see instructions) . . . .  
 5 Schedule M-3 required . . . .   
 (attach Sch. M-3)

Use IRS label. Otherwise, print or type.

Name  
**BROKERAGE FIRM OF BOSTON**

Number, street, and room or suite no. If a P.O. box, see instructions.

**493100 WAREHOUSE WAY**

City or town, state, and ZIP code

**BOSTON****MA 02120**

B Employer identification number

**40-9999999**

C Date incorporated

**07-04-1976**

D Total assets (see instructions)

\$ **23,520,445**E Check if: (1)  Initial return (2)  Final return (3)  Name change (4)  Address change

Income	1a Gross receipts or sales	<b>525,775,010</b>	b Less returns and allowances		c Bal ►	<b>1c 525,775,010</b>
	2 Cost of goods sold (Schedule A, line 8)				2	<b>0</b>
	3 Gross profit. Subtract line 2 from line 1c				3	<b>525,775,010</b>
	4 Dividends (Schedule C, line 19)				4	
	5 Interest				5	
	6 Gross rents				6	
	7 Gross royalties				7	
	8 Capital gain net income (attach Schedule D (Form 1120))				8	
	9 Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)				9	
	10 Other income (see instructions - attach schedule)				10	
	11 Total income. Add lines 3 through 10			►	11	<b>525,775,010</b>
Deductions (See instructions for limitations on deductions.)	12 Compensation of officers (Schedule E, line 4)				12	<b>225,000,000</b>
	13 Salaries and wages (less employment credits)				13	<b>101,197,000</b>
	14 Repairs and maintenance				14	<b>665,441</b>
	15 Bad debts				15	
	16 Rents				16	<b>66,422,720</b>
	17 Taxes and licenses				17	<b>12,655,400</b>
	18 Interest				18	<b>38,777,615</b>
	19 Charitable contributions				19	<b>8,750</b>
	20 Depreciation from Form 4562 not claimed on Schedule A or elsewhere on return (attach Form 4562)				20	<b>1,448,550</b>
	21 Depletion				21	
	22 Advertising				22	
	23 Pension, profit-sharing, etc., plans				23	<b>5,256,465</b>
	24 Employee benefit programs				24	<b>10,000,000</b>
	25 Domestic production activities deduction (attach Form 8903)				25	
	26 Other deductions (attach schedule)			►	26	<b>64,218,069</b>
	27 Total deductions. Add lines 12 through 26			►	27	<b>525,650,010</b>
	28 Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11				28	<b>125,000</b>
	29 Less: a Net operating loss deduction (see instructions)		<b>29a</b>		29c	
	b Special deductions (Schedule C, line 20)		<b>29b</b>			
Tax and Payments	30 Taxable income. Subtract line 29c from line 28 (see instructions)				30	<b>125,000</b>
	31 Total tax (Schedule J, line 10)				31	<b>32,000</b>
	32a 2005 overpayment credited to 2006	<b>32a</b>				
	b 2006 estimated tax payments	<b>32b</b>				
	c 2006 refund applied for on Form 4466	<b>32c ( )</b>	d Bal ►	<b>32d</b>		
	e Tax deposited with Form 7004			<b>32e</b>		
	f Credits: (1) Form 2439 (2) Form 4136			<b>32f</b>		
	g Credit for federal telephone excise tax paid (attach Form 8913)		<b>32g</b>		<b>32h</b>	
	33 Estimated tax penalty (see instructions). Check if Form 2220 is attached				33	
	34 Amount owed. If line 32h is smaller than the total of lines 31 and 33, enter amount owed				34	<b>32,000</b>
	35 Overpayment. If line 32h is larger than the total of lines 31 and 33, enter amount overpaid				35	
	36 Enter amount of line 35 you want: <b>Credited to 2007 estimated tax</b>			►	Refunded ►	36

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

## Sign Here

Signature of officer

Date

Title

May the IRS discuss this return with the preparer shown below (see instructions)?  Yes  No

## Paid Preparer's Use Only

Preparer's signature

Date

Check if self-employed 

Preparer's SSN or PTIN

Firm's name (or yours if self-employed), address, and ZIP code

EIN

Phone no.

**Schedule A****Cost of Goods Sold** (see instructions)

1	Inventory at beginning of year	1
2	Purchases	2
3	Cost of labor	3
4	Additional section 263A costs (attach schedule)	4
5	Other costs (attach schedule)	5
6	<b>Total.</b> Add lines 1 through 5	6
7	Inventory at end of year	7
8	<b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on page 1, line 2	0

9a Check all methods used for valuing closing inventory:

- (i)  Cost  
 (ii)  Lower of cost or market  
 (iii)  Other (Specify method used and attach explanation.) ►

- b Check if there was a writedown of subnormal goods ►   
 c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ►   
 d If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO ► 9d  
 e If property is produced or acquired for resale, do the rules of section 263A apply to the corporation?  Yes  No  
 f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation  Yes  No

**Schedule C****Dividends and Special Deductions** (see instructions)

		(a) Dividends received	(b) %	(c) Special deductions (a) x (b)
1	Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock)		70	
2	Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock)		80	
3	Dividends on debt-financed stock of domestic and foreign corporations		see instructions	
4	Dividends on certain preferred stock of less-than-20%-owned public utilities		42	
5	Dividends on certain preferred stock of 20%-or-more-owned public utilities		48	
6	Dividends from less-than-20%-owned foreign corporations and certain FSCs		70	
7	Dividends from 20%-or-more-owned foreign corporations and certain FSCs		80	
8	Dividends from wholly owned foreign subsidiaries		100	
9	<b>Total.</b> Add lines 1 through 8. See instructions for limitation			
10	Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958		100	
11	Dividends from affiliated group members		100	
12	Dividends from certain FSCs		100	
13	Dividends from foreign corporations not included on lines 3, 6, 7, 8, 11, or 12			
14	Income from controlled foreign corporations under subpart F (attach Form(s) 5471)			
15	Foreign dividend gross-up			
16	IC-DISC and former DISC dividends not included on lines 1, 2, or 3			
17	Other dividends			
18	Deduction for dividends paid on certain preferred stock of public utilities			
19	<b>Total dividends.</b> Add lines 1 through 17. Enter here and on page 1, line 4			
20	<b>Total special deductions.</b> Add lines 9, 10, 11, 12, and 18. Enter here and on page 1, line 29b			

**Schedule E****Compensation of Officers** (see instructions for page 1, line 12)

Note: Complete Schedule E only if total receipts (line 1a plus lines 4 through 10 on page 1) are \$500,000 or more.

(a) Name of officer	(b) Social security number	(c) Percent of time devoted to business	Percent of corporation stock owned		(f) Amount of compensation
			(d) Common	(e) Preferred	
1		%	%	%	
		%	%	%	
		%	%	%	
		%	%	%	
		%	%	%	
2	<b>Total compensation of officers</b>				
3	Compensation of officers claimed on Schedule A and elsewhere on return				
4	Subtract line 3 from line 2. Enter the result here and on page 1, line 12				

<b>Schedule J Tax Computation</b> (see instructions)				
1	Check if the corporation is a member of a controlled group (attach Schedule O (Form 1120))	► <input type="checkbox"/>		
2	Income tax. Check if a qualified personal service corporation (see instructions)	► <input type="checkbox"/>	2	32,000
3	Alternative minimum tax (attach Form 4626)		3	
4	Add lines 2 and 3		4	32,000
5a	Foreign tax credit (attach Form 1118)		5a	
b	Qualified electric vehicle credit (attach Form 8834)		5b	
c	General business credit. Check applicable box(es):	<input type="checkbox"/> Form 3800 <input type="checkbox"/> Form 6478 <input type="checkbox"/> Form 8835, Section B <input type="checkbox"/> Form 8844	5c	
d	Credit for prior year minimum tax (attach Form 8827)		5d	
e	Bond credits from:	<input type="checkbox"/> Form 8860 <input type="checkbox"/> Form 8912	5e	
6	<b>Total credits.</b> Add lines 5a through 5e		6	
7	Subtract line 6 from line 4		7	32,000
8	Personal holding company tax (attach Schedule PH (Form 1120))		8	
9	Other taxes. Check if from:	<input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Form 8866 <input type="checkbox"/> Form 8902 <input type="checkbox"/> Other (attach schedule)	9	
10	<b>Total tax.</b> Add lines 7 through 9. Enter here and on page 1, line 31		10	32,000

<b>Schedule K Other Information</b> (see instructions)				
1	Check accounting method: a <input type="checkbox"/> Cash b <input type="checkbox"/> Accrual    c <input type="checkbox"/> Other (specify) ► _____	<b>Yes</b>	<b>No</b>	7 At any time during the tax year, did one foreign person own, directly or indirectly, at least 25% of (a) the total voting power of all classes of stock of the corporation entitled to vote or (b) the total value of all classes of stock of the corporation? ► _____ If "Yes," enter: (a) Percentage owned ► _____ and (b) Owner's country ► _____
2	See the instructions and enter the: a Business activity code no. ► _____ b Business activity ► _____ c Product or service ► _____			c The corporation may have to file Form 5472, Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. Enter number of Forms 5472 attached ► _____
3	At the end of the tax year, did the corporation own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) ► _____ If "Yes," attach a schedule showing: (a) name and employer identification number (EIN), (b) percentage owned, and (c) taxable income or (loss) before NOL and special deductions of such corporation for the tax year ending with or within your tax year.			8 Check this box if the corporation issued publicly offered debt instruments with original issue discount ► <input type="checkbox"/> If checked, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments.
4	Is the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? If "Yes," enter name and EIN of the parent corporation ► _____			9 Enter the amount of tax-exempt interest received or accrued during the tax year ► \$ _____
5	At the end of the tax year, did any individual, partnership, corporation, estate, or trust own, directly or indirectly, 50% or more of the corporation's voting stock? (For rules of attribution, see section 267(c).) ► _____ If "Yes," attach a schedule showing name and identifying number. (Do not include any information already entered in 4 above.) Enter percentage owned ► \$ 0			10 Enter the number of shareholders at the end of the tax year (if 100 or fewer) ► _____
6	During this tax year, did the corporation pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the corporation's current and accumulated earnings and profits? (See sections 301 and 316.) ► _____ If "Yes," file Form 5452, Corporate Report of Nondividend Distributions. If this is a consolidated return, answer here for the parent corporation and on Form 851, Affiliations Schedule, for each subsidiary.			11 If the corporation has an NOL for the tax year and is electing to forego the carryback period, check here ► <input type="checkbox"/> If the corporation is filing a consolidated return, the statement required by Temporary Regulations section 1.1502-21T(b)(3) must be attached or the election will not be valid.
				12 Enter the available NOL carryover from prior tax years (Do not reduce it by any deduction on line 29a.) ► \$ _____
				13 Are the corporation's total receipts (line 1a plus lines 4 through 10 on page 1) for the tax year <b>and</b> its total assets at the end of the tax year less than \$250,000? ► _____ If "Yes," the corporation is not required to complete Schedules L, M-1, and M-2 on page 4. Instead, enter the total amount of cash distributions and the book value of property distributions (other than cash) made during the tax year. ► \$ _____

**Note:** If the corporation, at any time during the tax year, had assets or operated a business in a foreign country or U.S. possession, it may be required to attach **Schedule N (Form 1120)**, Foreign Operations of U.S. Corporations, to this return. See Schedule N for details.

<b>Schedule L Balance Sheets per Books</b>		Beginning of tax year		End of tax year	
<b>Assets</b>		(a)	(b)	(c)	(d)
1 Cash	.....		467,000		174,275
2a Trade notes and accounts receivable	.....				
b Less allowance for bad debts	.....	( )		( )	
3 Inventories	.....				
4 U.S. government obligations	.....		750,000		750,000
5 Tax-exempt securities (see instructions)	.....				
6 Other current assets (attach schedule)	.....		557,375		12,284,981
7 Loans to shareholders	.....				
8 Mortgage and real estate loans	.....				
9 Other investments (attach schedule)	.....		1,975,625		1,875,425
10a Buildings and other depreciable assets	.....	8,000,000		9,248,666	
b Less accumulated depreciation	.....	( 3,500,000 )	4,500,000	( 4,948,550 )	4,300,116
11a Depletable assets	.....				
b Less accumulated depletion	.....	( )		( )	
12 Land (net of any amortization)	.....				1,850,000
13a Intangible assets (amortizable only)	.....			1,310,648	
b Less accumulated amortization	.....	( )		( )	1,310,648
14 Other assets (attach schedule)	.....				975,000
15 Total assets	.....		8,250,000		23,520,445
<b>Liabilities and Shareholders' Equity</b>					
16 Accounts payable	.....		500,000		4,615,076
17 Mortgages, notes, bonds payable in less than 1 year	.....		1,250,000		2,750,000
18 Other current liabilities (attach schedule)	.....				1,148,187
19 Loans from shareholders	.....				
20 Mortgages, notes, bonds payable in 1 year or more	.....		2,750,000		11,037,182
21 Other liabilities (attach schedule)	.....				
22 Capital stock: a Preferred stock	.....				
b Common stock	.....	250,000	250,000	250,000	250,000
23 Additional paid-in capital	.....				95,000
24 Retained earnings-Appropriated (attach schedule)	.....				
25 Retained earnings-Unappropriated	.....		3,500,000		3,625,000
26 Adjustments to shareholder's equity (attach schedule)	.....				
27 Less cost of treasury stock	.....		( )		( )
28 Total liabilities and shareholders' equity	.....		8,250,000		23,520,445

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income per Return**

Note: Schedule M-3 required instead of Schedule M-1 if total assets are \$10 million or more-see instructions

1 Net income (loss) per books	.....	108,000	7 Income recorded on books this year not included on this return (itemize): Tax-exempt interest \$ 15,000	
2 Federal income tax per books	.....	32,000		15,000
3 Excess of capital losses over capital gains	.....			
4 Income subject to tax not recorded on books this year (itemize):				
5 Expenses recorded on books this year not deducted on this return (itemize): a Depreciation \$ _____ b Charitable contributions \$ _____ c Travel and entertainment \$ _____			8 Deductions on this return not charged against book income this year (itemize): a Depreciation \$ _____ b Charitable contributions \$ _____	
6 Add lines 1 through 5	.....	140,000	9 Add lines 7 and 8	15,000
			10 Income (page 1, line 28)-line 6 less line 9	125,000

**Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (Line 25, Schedule L)**

1 Balance at beginning of year	.....	3,500,000	5 Distributions: a Cash .....	
2 Net income (loss) per books	.....	108,000	b Stock .....	
3 Other increases (itemize):			c Property .....	
			6 Other decreases (itemize):	12,000
4 Add lines 1, 2, and 3	.....	44,000	7 Add lines 5 and 6	12,000
		3,652,000	8 Balance at end of year (line 4 less line 7)	3,640,000



**Form 355SC**  
**Domestic or Foreign Security**  
**Corporation Return**

2006

Massachusetts  
Department of  
Revenue

**For calendar year 2006 or taxable year beginning****ending**

U.S. Principal Business Code

Federal Identification number (FID)

►  Check if corporation is a Regulated Investment Company

► \_\_\_\_\_

Name of corporation: ► \_\_\_\_\_

Principal business address: \_\_\_\_\_

Principal business address in Massachusetts: \_\_\_\_\_

**Check appropriate box (see instructions):**

1. Is the corporation incorporated within Massachusetts? ►  Yes  No
3. ►  Class 1 security corporation      ►  Class 2 security corporation
5. Date business began in Massachusetts ► \_\_\_\_\_
7. Average number of employees in Massachusetts ► \_\_\_\_\_
8. Has the U.S. government changed your taxable income for any prior year which has not yet been reported to Massachusetts? ►  Yes  No
9. Corporation's books are in the care of \_\_\_\_\_ Title \_\_\_\_\_
10. If first return: ►  new business  business had predecessor
11. If final return: ►  business terminated  business has successor
12. Does this entity continue to qualify for classification as a security corporation? ►  Yes  No  
If "Yes", please enclose a statement explaining any changes in corporate activity since you were last granted security corporation classification.
13. Has this corporation elected to file or participate in the filing of a U.S. consolidated return? ►  Yes  No. FID of parent \_\_\_\_\_
14. U.S. form(s) and schedule(s) filed for this tax year: ►  1120  1120-A  1120RIC  851  5471  1120S  1120-REIT

**Computation of Excise**

COMPLETE AS OF SEPTEMBER 20, 2006 SUBJECT ONLY TO FEDERAL AND/OR STATE LEGISLATIVE ACTION		Use whole dollar method
1. Total U.S. income (from U.S. Form 1120 or 1120-A, etc.)	► 1	
2. State and municipal bond interest not included in line 1	► 2	
3. Adjustments to income. See instructions (enclose schedule)	► 3	
4. Massachusetts gross income. Add lines 1 through 3	► 4	
5. Class 1 excise, if applicable (line 4) \$ _____ × .0033	► 5	
6. Class 2 excise, if applicable (line 4) \$ _____ × .0132	► 6	
7. Excise before credits (line 5 or 6, whichever applies)	► 7	
8. Vanpool Credit and carryover (from Schedule H, lines 11b and 27b)	► 8	
9. Film Incentive Credit. Certificate number ► _____	► 9	
10. Full Employment Credit (from Schedule FEC, line 25)	► 10	
11. Historic Rehabilitation Credit (enclose documentation)	► 11	
12. Medical Device Credit. Certificate number ► _____	► 12	
13. Brownfields Credit. Certificate number ► _____	► 13	
14. Excise after credits. Subtract the total of lines 8 through 13 from line 7	► 14	
15. Minimum excise (cannot be prorated)	► 15	456
16. Excise due before voluntary contribution (line 14 or line 15, whichever is larger)	► 16	
17. Voluntary contribution for endangered wildlife conservation	► 17	
18. Excise due plus voluntary contribution. Add lines 16 and 17	► 18	
19. 2005 overpayment applied to 2006 estimated tax	► 19	
20. 2006 estimated tax payments (do not include amount in line 19)	► 20	
21. Payments made with extension	► 21	
22. Amount overpaid. Subtract line 18 from total of lines 19 through 21	► 22	
23. Amount of line 22 to be credited to 2007 estimated tax	► 23	
24. Amount of line 22 to be refunded. Subtract line 23 from line 22	► 24	
25. Balance due. Subtract total of lines 19 through 21 from line 18	► 25	
26. M-2220 penalty ► _____ Other penalties ► _____	Total penalty	► 26
27. Interest on unpaid balance	Total due	► 27
28. Total payment due at time of filing. Make remittance payable to Commonwealth of Massachusetts		► 28

**Under penalties of perjury, I declare that to the best of my knowledge and belief, this return and enclosures are true, correct and complete.**

Signature of appropriate officer (see instructions)      Date      Social Security number      Title

Signature of paid preparer      Date      Employer Identification number      Address

**Schedule A****Assets**

	Balance sheet as of a. Beginning of tax year	b. End of tax year
1. Cash .....	1	
2. Federal and state government obligations .....	2	
3. Other current assets (enclose schedule) .....	3	
4. Other investments (enclose schedule) .....	4	
5. Buildings and other fixed depreciable assets (enclose schedule) .....	5	
6. Accumulated depreciation of fixed depreciable assets .....	6	
7. Net value of depreciable assets. Subtract line 6 from line 5 .....	7	
8. Land (net of any amortization) .....	8	
9. Intangible assets (amortizable only) .....	9	
10. Accumulated amortization of intangible assets .....	10	
11. Net value of intangible assets. Subtract line 10 from line 9 .....	11	
12. Other assets (enclose schedule) .....	12	
13. Total assets. Add lines 1 through 4, 7, 8, 11 and 12 .....	13	

**Liabilities and Capital**

14. Accounts Payable .....	14	
15. Mortgages, notes, bonds payable in less than 1 year .....	15	
16. Other current liabilities (enclose schedule) .....	16	
17. Mortgages, notes, bonds payable in 1 year or more .....	17	
18. Other liabilities (enclose schedule) .....	18	
19. Preferred capital stock .....	19	
20. Common capital stock .....	20	
21. Paid-in or capital surplus .....	21	
22. Retained earnings — appropriated (enclose statement) .....	22	
23. Retained earnings — unappropriated .....	23	
24. Total liabilities and capital before treasury stock deduction. Add lines 14 through 23 .....	24	
25. Cost of treasury stock .....	25	
26. Total liabilities and capital. Subtract line 25 from line 24 .....	26	

**Ownership Information****FEDERAL AND/OR STATE  
LEGISLATIVE ACTION**

1. At any time during the taxable year, was more than 50% of the voting stock:

- a. of another corporation owned by your corporation?  Yes  No.  
 b. of your corporation owned by any single entity?  Yes  No.

(For rules of attribution, see Section 267(c) of the Internal Revenue Code.)

(If 1(a) or 1(b) is "Yes," enclose an ownership schedule. See instructions.)

2. At any time during the taxable year:

- a. Was any amount owed by your corporation during the taxable year?  Yes  No. If "Yes." enter amount \$ \_\_\_\_\_  
 b. Was any amount owed to your corporation during the taxable year?  Yes  No. If "Yes." enter amount \$ \_\_\_\_\_

**Note:** "Amount owed" includes loans, accounts receivable and accounts payable.**Corporate Disclosure Schedule**

1. Enter the amount for charitable contributions (from U.S. Forms 1120, 1120-A, or 1120RIC) .....	►			
2. Enter the amount of the deduction for federal research expenses (from U.S. Forms 1120, 1120-A, or 1120 RIC) allowed under IRC sec. 174, plus the credit for research allowed by IRC sec. 41 .....	►			
3. Enter any accelerated depreciation (ACRS, MACRS, etc.) allowed as a federal deduction for this tax year .....	►	►	►	►
4. Enter depreciation for the property included in line 3, calculated according to generally accepted accounting principles .....	►	►	►	►
5. Subtract line 4 from line 3. Enter result .....	►	►	►	►

**Note:** An exact copy of U.S. Forms 1120, 1120-A, or 1120 Ric including all applicable schedules and forms required to substantiate the Massachusetts excise must be made available to the Department of Revenue upon request. Any changes or amendments to any U.S. amount must be explained in detail.

